
Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the Commonwealth in a trustee capacity or as an agent for individuals, private organizations or other governments.

EXPENDABLE TRUST FUNDS:

Expendable Trust Fund accounts for various gifts, bequests or contributions held by the Commonwealth of which both principal and interest may be expended for purposes designated by the donor.

Revolving Loan Fund accounts for federal grants, investment and interest income; to be expended for loans to non-profit private entities to establish housing for individuals recovering from alcohol or drug abuse and for loans to local housing authorities.

Unemployment Compensation Fund accounts for unemployment taxes collected from employers and held by the United States Treasury in the Federal Unemployment Trust Fund, from which funds are drawn for the payment of benefits to the unemployed.

NONEXPENDABLE TRUST FUNDS:

Nonexpendable Trust Fund accounts for various gifts and bequests held by the Commonwealth, of which only the income may be expended for purposes specified by the donor.

PENSION TRUST FUNDS:

Pension Trust Funds accounts for the assets, liabilities and fund balances held in trust by the State Employees' and Teachers' Retirement Systems for the payment of retirement, disability and death benefits to members of these retirement systems.

AGENCY FUNDS:

Agency Funds accounts for cash, investments held or managed by the Commonwealth on behalf of others. These include the investments made by cities, towns and local authorities in the Municipal Depository Trust and Pension Reserves Investment Trust, employees' contributions to the deferred compensation plan, annuity contracts held for lottery prize winners, local option taxes collected but not yet remitted, assets held in escrow accounts by the Commonwealth's court system and human service departments, child support payments collected or receivable and not yet remitted to custodial parents, and deposits required from insurance companies and similar organizations.

Fiduciary Fund Types
Combining Balance Sheet - Statutory Basis

June 30, 1997
(Amounts in thousands)

ASSETS	Expendable Trust Funds	Nonexpendable Trust Funds	Pension Trust Funds
Cash and short-term investments.....	\$ 132,788	\$ 5,835	\$ 869,492
Cash on deposit with U.S. Treasury.....	1,222,725	-	-
Investments.....	-	-	18,969,346
Assets held in trust.....	-	-	-
Other receivables, net of allowance for uncollectibles.....	-	-	218,393
Total assets.....	\$ 1,355,513	\$ 5,835	\$ 20,057,231
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable.....	\$ 18,288	\$ -	\$ 493,513
Accrued payroll.....	34	-	-
Agency liabilities.....	9,210	-	-
Due to cities and towns.....	-	-	-
Due to federal government.....	-	-	-
Due to other funds.....	-	-	3,657
Total liabilities.....	27,532	-	497,170
Fund balances:			
Reserved for:			
Employees' pension benefits.....	-	-	19,560,061
Unemployment benefits.....	1,222,725	-	-
Unreserved:			
Designated for specific purpose.....	105,256	5,835	-
Total fund balances.....	1,327,981	5,835	19,560,061
Total liabilities and fund balances.....	\$ 1,355,513	\$ 5,835	\$ 20,057,231

Agency Funds	Totals	
	1997	1996
\$ 221,137	\$ 1,229,252	\$ 648,063
-	1,222,725	761,987
559,426	19,528,772	16,205,800
1,708,422	1,708,422	1,648,336
-	218,393	142,404
<u>\$ 2,488,985</u>	<u>\$ 23,907,564</u>	<u>\$ 19,406,590</u>
\$ 8,991	\$ 520,792	\$ 214,972
-	34	280
2,459,852	2,469,062	2,344,033
20,142	20,142	18,147
-	-	51
-	3,657	7,901
<u>2,488,985</u>	<u>3,013,687</u>	<u>2,585,384</u>
-	19,560,061	15,956,271
-	1,222,725	761,987
-	111,091	102,948
-	20,893,877	16,821,206
<u>\$ 2,488,985</u>	<u>\$ 23,907,564</u>	<u>\$ 19,406,590</u>

Expendable Trust Funds
Combining Balance Sheet - Statutory Basis

June 30, 1997
(Amounts in thousands)

ASSETS	Expendable Trusts	Unemployment Compensation Trust	Totals	
			1997	1996
Cash and short-term investments.....	\$ 132,788	\$ -	\$ 132,788	\$ 113,275
Cash on deposit with U.S. Treasury.....	-	1,222,725	1,222,725	761,987
Total assets.....	\$ 132,788	\$ 1,222,725	\$ 1,355,513	\$ 875,262
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable.....	18,288	-	18,288	12,049
Accrued payroll.....	34	-	34	280
Other liabilities.....	9,210	-	9,210	3,833
Total liabilities.....	27,532	-	27,532	16,162
Fund balances:				
Reserved for:				
Unemployment benefits.....	-	1,222,725	1,222,725	761,987
Unreserved:				
Designated for specific purpose.....	105,256	-	105,256	97,113
Total fund balances.....	105,256	1,222,725	1,327,981	859,100
Total liabilities and fund balances.....	\$ 132,788	\$ 1,222,725	\$ 1,355,513	\$ 875,262

Expendable Trust Funds

Combining Statement Of Revenues, Expenses And Changes In Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 1997
(Amounts in thousands)

REVENUES AND OTHER FINANCING SOURCES	Expendable	Unemployment	Totals	
	Trusts	Compensation Trust	1997	1996
Revenues:				
Taxes.....	\$ 158	\$ 1,174,174	\$ 1,174,332	\$ 1,131,469
Assessments.....	1,686	-	1,686	1,378
Federal grants and reimbursements.....	12,481	17,220	29,701	21,569
Departmental.....	6,724	-	6,724	7,732
Miscellaneous.....	151,826	62,982	214,808	194,493
Total revenues.....	172,875	1,254,376	1,427,251	1,356,641
Other financing sources:				
Operating transfers in.....	6,971	-	6,971	2,934
Other sources.....	2,073	-	2,073	2,155
Total other financing sources.....	9,044	-	9,044	5,089
Total revenues and other financing sources.....	181,919	1,254,376	1,436,295	1,361,730
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Judiciary.....	229	-	229	139
Secretary of the Commonwealth.....	5	-	5	86
Treasurer and Receiver-General.....	7,033	-	7,033	926
Auditor of the Commonwealth.....	285	-	285	236
Attorney General.....	1,724	-	1,724	1,596
District Attorney.....	3,215	-	3,215	3,173
Administration and finance.....	5,320	-	5,320	1,827
Environmental affairs.....	7,613	-	7,613	6,537
Health and human services.....	18,299	-	18,299	18,774
Transportation and construction.....	2,609	-	2,609	1,068
Education.....	1,140	-	1,140	1,409
Higher education.....	103	-	103	44
Public safety.....	2,967	-	2,967	3,591
Economic development.....	2,732	-	2,732	3,140
Elder affairs.....	50	-	50	50
Consumer affairs.....	7,098	-	7,098	6,459
Labor.....	44,089	793,638	837,727	851,421
Total expenditures.....	104,511	793,638	898,149	900,476
Other financing uses:				
Fringe benefit cost assessment.....	2,365	-	2,365	2,019
Operating transfers out.....	66,900	-	66,900	101,391
Total other financing uses.....	69,265	-	69,265	103,410
Total expenditures and other financing uses.....	173,776	793,638	967,414	1,003,886
Excess and other financing sources				
over expenditures and other financing uses.....	8,143	460,738	468,881	357,844
Fund balances at beginning of year.....	97,113	761,987	859,100	501,256
Fund balances at end of year.....	\$ 105,256	\$ 1,222,725	\$ 1,327,981	\$ 859,100

Expendable Trust Fund
Balance Sheet - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
ASSETS		
Cash and short-term investments.....	\$ 129,773	\$ 111,573
Total assets.....	\$ 129,773	\$ 111,573
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable.....	\$ 18,288	\$ 11,836
Accrued payroll.....	34	280
Agency liabilities.....	9,210	3,833
Total liabilities.....	27,532	15,949
Fund balances:		
Unreserved:		
Designated for specific purpose.....	102,241	95,624
Total fund balances.....	102,241	95,624
Total liabilities and fund balances.....	\$ 129,773	\$ 111,573

Expendable Trust Fund

Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
REVENUES AND OTHER SOURCES		
Revenues:		
Taxes.....	\$ 158	\$ -
Assessments.....	1,686	1,378
Federal grants and reimbursements.....	12,481	9,326
Departmental.....	6,724	7,732
Miscellaneous.....	151,741	156,857
Total revenues.....	172,790	175,293
Other financing sources:		
Operating transfers in.....	6,971	2,934
Other sources.....	66	4
Total other financing sources.....	7,037	2,938
Total revenues and other financing sources.....	179,827	178,231
EXPENDITURES AND OTHER USES		
Expenditures:		
Judiciary.....	229	139
Secretary of the Commonwealth.....	5	86
Treasurer and Receiver-General.....	7,033	926
Auditor of the Commonwealth.....	285	236
Attorney General.....	1,724	1,596
District Attorney.....	3,215	3,173
Administration and finance.....	5,320	1,827
Environmental affairs.....	7,613	6,537
Health and human services.....	18,289	18,760
Transportation and construction.....	2,609	1,068
Education.....	1,140	1,409
Higher education.....	103	44
Public safety.....	2,967	3,591
Economic development.....	2,176	1,090
Elder affairs.....	50	50
Consumer affairs.....	7,098	6,459
Labor.....	44,089	46,538
Total expenditures.....	103,945	93,529
Other financing uses:		
Fringe benefit cost assessment.....	2,365	2,019
Operating transfers out.....	66,900	101,391
Total other financing uses.....	69,265	103,410
Total expenditures and other financing uses.....	173,210	196,939
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	6,617	(18,708)
Fund balances at beginning of year.....	95,624	114,332
Fund balances at end of year.....	\$ 102,241	\$ 95,624

Revolving Loan Fund
Balance Sheet - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
ASSETS		
Cash and short-term investments.....	\$ 3,015	\$ 1,702
Total assets.....	\$ 3,015	\$ 1,702
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable.....	\$ -	\$ 213
Total liabilities.....	-	213
Fund balances:		
Unreserved:		
Designated for specific purpose.....	3,015	1,489
Total fund balances.....	3,015	1,489
Total liabilities and fund balances.....	\$ 3,015	\$ 1,702

Revolving Loan Fund

Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
REVENUES AND OTHER SOURCES		
Revenues:		
Miscellaneous.....	\$ 85	\$ 82
Total revenues.....	85	82
Other financing sources:		
Operating transfers in.....	-	-
Other sources.....	2,007	2,151
Total other financing sources.....	2,007	2,151
Total revenues and other financing sources.....	2,092	2,233
EXPENDITURES AND OTHER USES		
Expenditures:		
Economic development.....	556	2,050
Health and human services.....	10	14
Total expenditures.....	566	2,064
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	566	2,064
Excess of revenues and other sources over expenditures and other uses.....	1,526	169
Fund balances at beginning of year.....	1,489	1,320
Fund balances at end of year.....	\$ 3,015	\$ 1,489

Unemployment Compensation Fund
Balance Sheet - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
ASSETS		
Cash on deposit with U.S. Treasury.....	\$ 1,222,725	\$ 761,987
Total assets.....	\$ 1,222,725	\$ 761,987
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balances:		
Reserved for:		
Unemployment benefits.....	1,222,725	761,987
Total fund balances.....	1,222,725	761,987
Total liabilities and fund balances.....	\$ 1,222,725	\$ 761,987

Unemployment Compensation Fund

Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
REVENUES AND OTHER SOURCES		
Revenues:		
Taxes.....	\$ 1,174,174	\$ 1,131,469
Federal grants and reimbursements.....	17,220	12,243
Miscellaneous.....	62,982	37,554
Total revenues.....	1,254,376	1,181,266
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	1,254,376	1,181,266
EXPENDITURES AND OTHER USES		
Expenditures:		
Labor.....	793,638	804,883
Total expenditures.....	793,638	804,883
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	793,638	804,883
Excess of revenues and other sources over expenditures and other uses.....	460,738	376,383
Fund balances at beginning of year.....	761,987	385,604
Fund balances at end of year.....	\$ 1,222,725	\$ 761,987

Nonexpendable Trust Fund
Balance Sheet - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
ASSETS		
Cash and short-term investments.....	\$ 5,835	\$ 5,835
Total assets.....	\$ 5,835	\$ 5,835
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balances:		
Unreserved:		
Designated for specific purpose.....	5,835	5,835
Total fund balances.....	5,835	5,835
Total liabilities and fund balances.....	\$ 5,835	\$ 5,835

Nonexpendable Trust Fund

Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

June 30, 1997
(Amounts in thousands)

	1997	1996
REVENUES AND OTHER SOURCES		
Revenues:		
Miscellaneous.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	-	-
EXPENDITURES AND OTHER USES		
Expenditures:		
Treasurer and Receiver-General.....	-	3
Total expenditures.....	-	3
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	-	3
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	-	(3)
Fund balances at beginning of year.....	5,835	5,838
Fund balances at end of year.....	\$ 5,835	\$ 5,835

Pension Trust Funds

Combining Statement of Net Assets Available for Pension Benefits - Statutory Basis

June 30, 1997
(Amounts in thousands)

ASSETS	State Employees' PERS	Teachers' PERS	Totals	
			1997	1996
Cash and short-term investments.....	\$ 428,397	\$ 441,095	\$ 869,492	\$ 342,009
Investments at fair value.....	9,359,311	9,610,035	18,969,346	15,671,490
Other receivables, net of allowance for uncollectibles.....	102,313	116,080	218,393	142,404
Total assets.....	<u>\$ 9,890,021</u>	<u>\$ 10,167,210</u>	<u>\$ 20,057,231</u>	<u>\$ 16,155,903</u>
LIABILITIES				
Accounts payable.....	\$ 243,506	\$ 250,007	\$ 493,513	\$ 191,731
Due to other funds.....	1,984	1,673	3,657	7,901
Total liabilities.....	<u>245,490</u>	<u>251,680</u>	<u>497,170</u>	<u>199,632</u>
Net assets available for pension benefits (fund balances reserved for employees' pension benefits) (A schedule of funding progress for each plan is presented in Note 10).....	<u>\$ 9,644,531</u>	<u>\$ 9,915,530</u>	<u>\$ 19,560,061</u>	<u>\$ 15,956,271</u>

Pension Trust Funds

Combining Statement of Changes in Net Assets Available for Pension Benefits - Statutory Basis

Fiscal Year Ended June 30, 1997
(Amounts in thousands)

	1997	1996
Additions:		
Commonwealth contributions.....	\$ 899,048	\$ 850,841
Employees contributions.....	457,530	449,210
Total contributions.....	1,356,578	1,300,051
Net investment income:		
Net appreciation in fair value of investments.....	2,823,841	1,786,940
Interest.....	368,654	363,645
Dividends.....	158,922	125,716
Real estate operating income, net.....	54,525	37,929
Alternative investments.....	27,457	14,943
Other.....	156	2,915
Total investment income.....	3,433,555	2,332,088
Less: investment expense.....	60,703	43,406
Net investment income.....	3,372,852	2,288,682
Total additions.....	4,729,430	3,588,733
Deductions:		
Administration.....	3,688	3,673
Retirement benefits and refunds.....	1,121,952	1,083,898
Total deductions.....	1,125,640	1,087,571
Net increase	3,603,790	2,501,162
Net assets available for pension benefits at beginning of year (fund balances reserved for employees' pension benefits).....	15,956,271	13,455,109
Net assets available for pension benefits at end of year (fund balances reserved for employees' pension benefits).....	\$ 19,560,061	\$ 15,956,271

See notes to combined financial statements - statutory basis.

Agency Funds
Statement Of Changes In Assets And Liabilities - Statutory Basis

Fiscal Year Ended June 30, 1997
(Amounts in thousands)

ASSETS	Balance June 30, 1996	Additions	Deductions	Balance June 30, 1997
Cash and short-term investments.....	\$ 186,944	\$ 3,363,808	\$ 3,329,615	\$ 221,137
Investments.....	534,310	25,116	-	559,426
Assets held in trust.....	1,648,336	156,971	96,885	1,708,422
Total assets.....	<u>\$ 2,369,590</u>	<u>\$ 3,545,895</u>	<u>\$ 3,426,500</u>	<u>\$ 2,488,985</u>
 LIABILITIES				
Accounts payable.....	\$ 11,192	\$ 988,122	\$ 990,323	\$ 8,991
Due to cities and towns.....	18,147	202,327	200,332	20,142
Due to federal government.....	51	61	112	-
Agency liabilities.....	2,340,200	2,130,864	2,011,212	2,459,852
Total liabilities.....	<u>\$ 2,369,590</u>	<u>\$ 3,321,374</u>	<u>\$ 3,201,979</u>	<u>\$ 2,488,985</u>